Effect of appreciation of rupee on exports

1061. SHRI VIJAY J. DARDA:
SHRIMATI MOHSINA KIDWAI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that appreciation of rupee in comparison to dollar is going to affect our export target which is going to come down as per the survey conducted by the ASSOCHAM;

(b) whether it is also a fact that appreciation of rupee in comparison to dollar during the period between January to June, 2007 have been 8.35 per cent whereas the appreciation in currency of China, Russia and Brazil have been 1.82 per cent, 2.08, per cent and 9.8 per cent respectively; and

(c) if so how the country is going to achieve the target of export and face the challenge from countries like China, Russia and Brazil?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) According to the ASSOCHAM Eco Pulse (AEP) study, the appreciation of the Indian Rupee, *vis-a-vis*, the US dollar is expected to slow down export growth thereby adversely affecting production and capacity utilization of Indian industry. Latest available provisional data corroborates a deceleration in export growth from 23.4 per cent during the first quarter (April-June) of last year to 18.1 per cent during the same period of the current year. In Rupee terms the deceleration is much sharper from 28.7 per cent during April-June, 2006-07 to 6.9 per cent during April-June, 2007-08.

(b) Data of the Reserve Bank of India (RBI) shows that between January-June, 2007, the Indian Rupee appreciated against the US $ by 8.04% whereas the appreciation against the currency of China, Russia and Brazil was 2.46%, 2.21 % and 9.67% respectively during the same period.

(c) In order to lessen the adverse impact of Rupee appreciation, the Government has announced a relief package to exporters comprising enhanced Duty Entitlement Passbook (DEPB) rates, reduction in Export Credit Guarantee Corporation (ECGC) premium, release of Rs. 600 crore for clearing all arrears of terminal excise duty and Central Sales-tax reimbursement, enhancement of duty drawback rates and reduction in interest rates on pre and post shipment credit.

Take over of closed tea gardens in West Bengal

1062. SHRI PRASANTA CHATTERJEE:
SHRI TAPAN KUMAR SEN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether is a fact that Government has decided to take over some closed tea gardens in West Bengal; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) No, Sir.

(b) Question does not arise.

Smuggling of Palm oil

1063. SHRI C. PERUMAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that a huge quantity of palm oil have been smuggled into our country;

(b) if so, whether Government have initiated any preventive measure to curb such huge illegal inflow of palm oil into the country;

(c) if so, the details thereof; and

(d) if not. the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (d) Several cases of smuggling of palm oil including crude palm oil (industrial grade) and RBD palm oil have been booked by the customs field formations. All field formations have been alerted to prevent and thwart the illegal inflow of palm oil into the country.

Exorbitant hike in cement price

†1064. SHRI PYARELAL KHANDELWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that cement manufacturing companies of the country are increasing the prices of cement exorbitantly by forming a cartel;

(b) whether it is also a fact that Monopolies and Restrictive Trade Practices Commission (MRTPC) has issued a notice also to some companies in this regard;

(c) if so, the details thereof; and

(d) whether Government are considering to administer the prices of cement in view of the attitudes of the cement companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) As per Cement Manufacturers' Association, the average price of cement has increased from Rs. 158 per bag in December, 2005 to Rs. 229 per bag in July, 2007. The details of month-wise prices are given in the statement–I laid on the Table of the House. (*See* below).

†Original notice of the question was received in Hindi.